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CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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 (FOR KEY SEE REVERSE)

Morale of the Population

1. The great mass of the population and especially the middle-aged people, are more than ever opposed to the regime and discontented with their way of life. A factor, which to a considerable degree contributes to keeping the morale low, is the atmosphere of suspicion and fear which surrounds every person and every family group. People talk freely only with persons of known reliability for fear that they may be overheard by an informer. 25X1
2. The same situation is also noted in working-class circles where there have been open demonstrations of discontent. For example, in the work-shops of Durres, the atmosphere is filled with tension as a result of protests clearly expressed against the "work norms", low pay, and against the officials themselves.
3. A substantial number of young people resent the continued Communist propaganda carried out through party organizations.
4. The Government has attempted to win the confidence of the peasants, but with negligible results. It has been equally unsuccessful in trying to disguise its control over the population. Although at present everyone is in fact free to move about from one locality to another within the country without obtaining a travel permit, on the other hand, it is the duty of each "head of a house" to keep a register in which he must record the movements of the tenants and report to the police within twelve hours.
5. Naturally, this new system of concealed surveillance by the regime has furnished its adversaries with new proof of its methods, which are aimed at stifling all freedom.

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Political Situation

6. The squeezing out of Enver Hoxha was in fact prepared by new personalities, who had returned from the USSR in the first months of this year, after taking advanced courses in political and administrative procedure.¹ These persons persuaded him to observe the principle of "group rule" in the administration of the Government; they criticized him for wishing to act autocratically, both in the conduct of public affairs and in Party matters. Enver Hoxha, therefore, found himself with his back to the wall and his only choice was to submit. He was obliged to cede his power and, as is customary in the countries behind the Curtain, he is now destined to disappear once and for all from the life of the country sooner or later. On 24 July, he did not appear at a reception given by the Polish Legation in Tirana. In this connection, it is symptomatic that at the session of 20 July, the Popular Parliament voted to allow considerable latitude in the posting or not posting of photographs of the Communist chiefs.
7. In promoting the recent changes in the high governmental posts and with Mehmet Shehu as President of the Council of Ministers, (considered by the Soviets as the "best" among the Albanian Communists), the Soviets have succeeded in absorbing Albania into their system of satellite countries. The re-shuffle has hitherto been received by the population in general with indifference. They have nothing to expect from Communism and from the regime now running the country; consequently, they are awaiting the turn of events with apathy and fear.
8. The change in leadership has been favorably received by government deputies. [redacted] the Party will be strengthened and [redacted] the new designees to the posts vacated by Hoxha will do wonders for the future of Albania.² 25X1
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Religion

9. The religion most acceptable to the present regime is Islam, particularly the Bektashi sect, because the leaders of this sect have complied with the wishes of the government.³ The other religious authorities in the Moslem communion have entered into an agreement with the Government in order to carry out their official religious duties.
10. The Orthodox clergy, who at first tried to offer a certain amount of resistance to governmental interference in its religious activity, has given up the struggle and come to terms with the Communist authorities.
11. The Roman Catholic Church, because of the greater prestige which it enjoys and because of its leaders, is the principal target of the regime's drive against religion. Another reason for persecuting the Catholic Church was the fact that arms have been found concealed in several churches, in some cases placed there by "Communist provocateurs". This naturally gave the cue for a strong anti-Catholic campaign, tending to show that the Catholic Church constituted a permanent danger to the Party and was in the services of foreign powers, aiming at subjugating Albania.
12. At present, however, the situation has changed. With the internment of Father Gardini, now in a camp for hard labor located between Kavaje and Lushnje the Shehu regime has succeeded in removing its last obstacle in the enslavement of the Catholic Church.⁴
13. The remaining clergy, headed by an old Albanian bishop [redacted] 25X1
[redacted] has reached an agreement with the Government.⁵ On the basis of this agreement, the Albanian Catholic Church, like the other cults, is at the service of the State and its priests, like those of other religions, are paid by the State. 25X1

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Armed Forces

14. The Albanian Armed Forces, including the Police Force (around 20,000 men), total 55 to 60 thousand men. They are well equipped and organized and under the leadership of officers and non-coms who have attended courses in the Soviet Union.
15. Recruits are divided into two categories: the first is composed of the usual levy made up of young men who receive regular training in military service. The second, on the other hand, is composed of the so-called "sons and relatives of the enemies of the people". These men, instead of receiving military training, are assigned to compulsory construction work companies with the same rate of pay received by the men in the first category but on reduced food rations.
16. These work companies have constructed numerous buildings in Tirana with the help of [redacted] Albanian technicians. The re-armament of the Albanian Armed Forces has now been completed but arms and ammunition continue to arrive from the Soviet Union to equip new coastal and anti-aircraft installations. This equipment is to complete the already existing system of defense along the borders and the coast.. 25X1
17. Recently, a large quantity of anti-personnel and naval mines arrived from the Soviet Union which will improve the various mine fields now being readied in the border zones of Greece and Yugoslavia and in the Sarande sector.
18. Small military outposts have been stationed along the coast. These posts consist of about fifteen soldiers under the command of a second lieutenant or a non-com, who is quartered in model buildings which contain a dormitory, a day room, an office, kitchen, and store room.
19. The outposts are in touch with one another by telephone. Two or three of these are under the command of a detachment commanded by an officer. The latter, in his turn, reports to a Group Headquarters of the zone. These outposts are all remote from villages and small towns [redacted] 25X1

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Island of Saseno

21. There are an undetermined number of coastal and anti-aircraft batteries, emplaced on the island. A garrison of 300 to 400 men is stationed on the island.

Tirana

22. There are two radio stations in the city. The old one is to the north, beyond the Durres-Tirana highway; the new one is about 10 kms. out of town in the same area. Some radar equipment has reportedly arrived from the Soviet Union very recently and was apparently set up in Durres, Saseno, Sarande, and Vlone. (sic)

Airfields - Berat, Tirana, Vlone

23. A large new airport located between Kucove and Berat has recently been completed. It is the most modern in Albania and has a cement runway. The number of hangars and their capacities are not known. These, along with the fuel storage tanks are all underground and well camouflaged. Only the meteorological station and

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the signal apparatus are visible on the field.

24. This is still in good condition but is not used at the moment. There is a small, well-trained unit there. The majority of the men at the field have attended special courses in the Soviet Union. For some time, air traffic with Bulgaria has been discontinued, so that Soviet officials arrive or leave Albania by sea.
25. The airfield at Vlone is now in operating condition but has only one runway [redacted] The services and the hangers were destroyed and have not been repaired. There is nothing there but a wind sock. On the old site of the aviation repair shops, two scaffoldings are going up. One is a construction job and the other belongs to some governmental commercial undertaking. Occasionally, an artillery battery shows up on the field for gun exercises. 25X1
26. The construction of a large new field, started in 1953, with large-scale works in the Zeze area has been suspended for reasons unknown. A good deal of machinery for excavating and leveling was brought to the area. This machinery was subsequently transferred to Vlone to enlarge the salt mines.
27. In all Albanian cities, even the small ones, meteorological stations have been set up.⁶

Economic Situation

28. The Tirana-Lenin Hydro-electric Center [redacted] is located to the east of the city and draws its water from Mt. Dajtit. It has a power capacity of 15,000 kw. and uses Czech and Soviet machinery; two turbines, two alternators, with three or four transformer stations and sub-stations. It furnishes electrical energy to Tirana, Kavaja, and Durres. The two already existing Thermal Centrals are still in operation. One, located to the northwest of the Tirana airfield, has a capacity of 1,000 to 2,000 kw; the other, on the Durres-Tirana highway, has a capacity of 4,000 to 5,000 kw. Construction on the Dherm Hydroelectric Center was started in 1953. Although the center opened on 29 November 1953, it did not begin to operate until 1 January 1954. It has a turbine and a power capacity of 100 kw., supplies approximately 1,000 in the village with electricity and supplies a local oil plant. 25X1

Textile Combine - Tirana

29. The textile combine in Tirana is located on the Tirana-Gur i Bardhe road, about five kilometers from the center of town and has not been completed. It consists of two large main buildings. One produces cotton materials and the other woollens. There is one building with a thermal electric plant of 5,000 kw. There are numerous little houses used as lodgings by the workers and their families. The director, an Albanian, is assisted by four or five Russian technicians. [redacted] The machinery is all Soviet; the output is low and production is falling off. Raw materials are procured locally. Cotton, however, is first prepared in two other workshops, one in Fier and the other in Krogzhine. The combine will be connected with Tirana by a railroad spur, which connects with the railroad about seven kilometers from the city. 25X1

Enver Workshops and Factory - Tirana

30. The Enver factory is continually being enlarged and equipped with modern and even ultra-modern machinery from the Soviet Union, Czechoslovakia and Germany. The factory and workshops occupy an area of 150 m by 80 m and consists of several sheds, whose roofs are covered with glass. The director is an old Albanian workman.

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There are five or six Soviet technicians and about thirty office workers. The workmen number about 300. Production includes spare parts for motors. The workmanship leaves much to be desired through the lack of skilled technicians. Often manufactured parts have to be done over, because they are defective. In recent years, a carpentry shop has been added to build furniture and frames for doors and windows, but even here workmanship is poor. There are about 150 workmen in this shop.

Mechanical Workshop of the Ministry of the Interior - Tirana

31. This shop is in the vicinity of the Enver Factory and produces spare parts for the Armed Forces. The workmen here are better than those at the Enver Factory. The director is a colonel in the Sigurimi. The workers (number unknown) are all militarized. The plant also produces clothing and equipment for the needs of the army. It has a shoemaking section (which is one of the best in the country), wood and metal-working sections, a tailor shop and carpentry shop.

Cement Factory - Vlone

32. The factory is on a height 1.5 kms. southeast of the city. Construction of the factory was begun in May 1951 and will be finished at the end of August 1954. The construction cost averaged one million leks a day on materials and workmen. Production will begin in September 1954, and its production capacity should be 50,000 tons a year. The factory consists of:
- a. One large shed with a rotating oven.
 - b. One section with stone and coal crushing machines.
 - c. One section for processing the clay.
 - d. One well equipped mechanical shop.
 - e. One thermal electric plant with two steam turbines and a capacity of 5,000 kw (the turbines operate alternately).
 - f. One small building for the administrative offices.
 - g. Various garages now nearing completion.
 - h. One water tank with a capacity of 2,000 mm. to meet the water requirements of the factory.
 - i. One additional water tank, somewhat smaller than the other. It is 5 kms south of the plant in the locality of Uj te Ftohte and is connected to the factory by a conduit. It has a pumping station. The machinery is all of Soviet origin.
 - j. Two overhead traveling cranes.
 - k. Various mechanical belt conveyors.
 - l. Metal bridges to transport material from one section to another.
 - m. Automatic balance to fill the paper sacks.

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33. When production begins, more than 500 workers will be employed under the direction of Soviet technicians.
34. The coal needed to operate the power plant and for other consumers will be furnished by the mines at Memalia (Tepelene) some 80 kms. away. The coal will be delivered by truck and it is estimated that some 30 large truck loads will be needed daily.
35. To simplify the delivery of coal the construction of a railroad track between the factory and the mines had been projected. A part of the necessary material had already arrived from Poland, but the work, begun in the spring of 1953, was suspended in July of the same year because of the deficiency of skilled workmen; and because the plan, as formulated by the Russians, had been criticized in its implementation and will therefore require re-examination.
36. The cement works could have operated just as efficiently by using crude oil instead of coal; there are in fact, within the present confines of the factory, two large tanks once built by the Italians. But these were dismantled by the Russians, perhaps to keep the factory from becoming autonomous.

Mines at Tepelene

37. The offices, lodgings, and services, along with scaffoldings are located on the left bank of the Viose River, while the mines themselves are on the right bank. The mines are now in process of being enlarged to increase production. The twenty tons which are extracted daily are in fact not enough to supply the railroads, the textile combine, the Shkoder fermentation factory, various plants and now the cement works as well. About twenty Polish supervising technicians are assigned to the mines plus an unknown number of workers and forced laborers.
38. The mines have elevators which still operate on primitive systems; normally, only the "Decauville" is used. A cableway is used to connect the tunnel opening with the left bank of the Viose River where the coal is unloaded into hoppers to facilitate the loading of the trucks. The cableway is a closed cycle type, and unloading is automatic.

Cerrik

39. Construction of a large new refinery is in the process of completion.

Patos

40. The work of digging wells continues. A new village has been created in the vicinity and has been named Verbes. No details available.

Shkoder

41. In July 1953, a plant was completed for the fermentation of tobacco. No details available.

Rice Factory of Vlone

42. Consists of:
 - a. One four-story building containing the machinery, all of Soviet make.
 - b. One building which houses the supervising staff.
 - c. One thermal electric plant with power capacity of 400 kw. It employs a coal burning steam engine, which uses a belt to activate an alternator.

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d. One store room for crude rice.

e. One store room for purified rice.

43. The factory works four months per year in three daily shifts of about twenty workers each. Production amounts to about thirty quintals daily and suffices for the needs of the country.

Tanning Plant - Vrone

44. Consists of:

- a. One main building, (four stories), with machinery, all of Soviet make.
- b. One thermal electric plant of 350 kw. similar to that of the rice factory. There was formerly another machine there, but it has since been switched to Puka copper mines.
- c. One store room for raw material.
- d. One store room for the finished product.
- e. One water storage tank, 400 cu.m.

45. There are ninety workers, who operate in three shifts of thirty men each. Production is in excess of demand. (The machinery, like that of the rice factory, leaves much to be desired; it often stops because of technical defects or because of a lack of spare parts).

Spaghetti Plant - Vrone

46. The machinery at this plant is of Italian make and supplemented by some Czech machinery. It produces about 10 quintals of spaghetti daily. No details are available.

Olive Oil Extracting Plant - Vrone.

47. It has diesel engines and Italian machinery, a store room for olive husk and another for oil. The oil plant uses four normal hydraulic presses and two superpresses. No other details are available.
48. There are olive extracting plants in Sassai (sic), Himara and Ballsh. These plants have four hydraulic presses each.

Fish Cannery - Vrone

49. Construction was initiated in early 1954. It was based on a plan drawn up by a German engineer who had come from East Germany. The plant will occupy an area 250 m. by 100 m. and it is to be finished in 1955. The machinery will be furnished by East Germany. No details are available.

Selenice

50. Construction of a new plant is planned for the production of bitumen. The machinery has already arrived from the Soviet Union, but the work is to begin in the first months of 1955.

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Pay for Construction Workers:

51. Specialist workers, grade 7: 202 leks per day.
 " " " 6: 171 " " "
 " " " 5: 141 " " "
 " " " 4: 117 " " "
 Simple worker, " 3: 100 " " "
 " " " 2: 86 " " "
 " " " 1: 71 " " "

(Note: Workers of the same grade in industries receive the same pay but with a 5% supplement. Miners' pay is supplemented 10%. Commercial pay is diminished by 5 to 10%.)

Office Employees' Pay:

52. Director of a National Firm: 8,000 leks per month
 " " " Local " 6,500 " " "
 Chief Engineer in either of the above firms: 7,000 leks per month.
 Ass't Engineer " " " " " : 4,000 to 5,400 leks per month.
 Ordinary office workers : 2,600 to 4,000 leks per month.

Public Work Projects:Aqueduct of Selenice

53. Works have been constructed to exploit the water from Poceni Springs near Klos, north-west of Kute. Ten kms. of tubing have been installed (Soviet steel pipes from 150 mm. to 200 mm. in diameter and 4 mm. in thickness).
 54. There are two tanks, one with a capacity of 1,000 cu. m. and the other 1,500 cu. m. Each has two diesel pumps of 40 hp. The water flows with a velocity of about 12 liters a second or about 1200 cu. m. every 24 hours. Putting the aqueduct across the Viose River was fraught with difficulty. In order to put the pipes in place, it was actually necessary to temporarily divert the course of the stream. The aqueduct furnishes water for the bitumen mines at Selenice, where production has now been doubled and the labor force quadrupled.

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55. Two bridges are being constructed; one is 90 m. long and the other 110 m. long with a width of 3.5 m. These are truss bridges in the mountainous stretch between Vljone and Kuci.

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56. A large system of irrigation canals is under construction in the area between Lushnje and Kavaje. The workers are all political prisoners or common criminals. Considerable machinery has been brought to the site, including excavation, motor pumps and tractors, all of Soviet manufacture. There is also a plan to construct a dam in Seliste in the vicinity of Selenice to block the waters of the Viose River and direct them into the irrigation canals, and to the area north-east of Fier.

Prison in Vljone

57. The prison in Vljone consists of a two-story building for women; and another two-story, U-shaped, building, reserved for men. The men's prison is subdivided into two sections; one for political prisoners and the other for common criminals. There is also a building for the supervisory staff, administration and guards. A captain of the Sigurimi is in charge. The prison is surrounded by a wall.

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58. Commercial transportation is generally carried out in Skoda trucks. Italian vehicles are currently being used in the workyards of construction firms, but they are almost all out of service because of missing spare parts. The state transport firms have offices in Vlone, Shkoder, Durres, Tirana, Korce and Elbasan, and agencies in the smaller centers. Even today travelers are accustomed to saying that they are going to take the S.A.T.A. (the name of the old Italian firm). The fee amounts to 7.5 leks per ton per km. The transportation of goods and passengers by truck is forbidden along the stretches served by the railroad. Passenger services are available between the following communities:

Vlone - Rogozhine

Tirana - Shkoder

Durres - Shkoder

Vlone - Gjinokaster

Vlone - Sarande

Vlone - Berat

Berat - Corovode

Corovode - Korce

Fier - Ballsh

59. The average passenger fare is 1.50 leks per km. The highway net in Albania is very defective because of an almost complete lack of maintenance and no plan for road maintenance has been formulated. There are five or six taxis on duty in Tirana and four or five in the surrounding area. Every center has at least one taxi. For the Vlone - Tirana stretch and back, by taxi, the fare amounts to 3,600 leks.

Commercial Firms

60. Commerce in Albania is carried out by two firms: one, which controls several agencies in various localities, is in charge of collecting and storing agricultural products and other wares; the other, a sales firm, draws foodstuffs from the first and arranges for their distribution in two types of stores: the first sells on the basis of ration tickets at fixed prices; the second sells goods without ration tickets at a large mark-up over the fixed prices.
61. Through this system, the regime prevents much money from accumulating in the hands of the population. The Albanian Government is now trying to recover all the credits and merchandise abroad which belong to Albanian-Jewish merchants. An agreement to this effect was allegedly concluded about two months prior to July 1954, between the Communist authorities and the Jewish merchants. The latter, summoned individually, agreed to delegate the Government to liquidate their foreign credits and recover their goods abroad in order to escape a renewal of persecutions. The Government on its side, allegedly promised the persons concerned that they would be paid half the value of the credit recovered and that they would receive full possession of any sequestered goods, which they would be permitted to sell in Albania for their own profit. Of course the Government got back its share through customs taxes.

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Financial Institutions

62. The State Bank, formerly Banca d'Albania, in accordance with the governmental regulations, finances all firms and operates like an ordinary bank, drawing interest on the loans advanced. It maintains technical and financial control over the state firms; it screens the work and supervises operations (purchases, payments, etc.) which require its approval. The bank has branches in every city. It supervises not only the banking personnel, but also the engineers and surveyors, who exercise technical control over operations of the firms.
63. Another financial institution is the Arka Kursien (Savings Bank). This bank accepts deposits from persons wishing to open savings accounts, collects light and water bills, house and other types of rent. It also handles policies in life, fire, real estate etc.). It makes loans to peasants who mortgage their equipment, land, house and crops. Requests for loans received by a Communist Party representative on the [Loan] Committee. If the person requesting a loan is not a member of the Party, his request is not approved.
64. Both the State Bank and the Savings Bank conduct the distribution of certificates whenever a national loan is launched. Loans generally are made in accordance with the following procedure: In work areas, factories or any other firms, a workman or supervisor proposes, in the course of a regular meeting, that a contribution should be made to the rebirth of the nation through a national loan. Naturally, the comrades, willing or not, appear to welcome the idea, and an order of the day is approved. Word of this is passed to the authorities and to the Party, which gives its approval. Naturally, this gesture is immediately pointed out to the other enterprises; the workers then hasten to offer their support. Subscription lists are opened and every office worker and laborer promises to subscribe a certain amount and the financial institutes arrange for the issuance of certificates. These certificates are sent to the heads of the various enterprises and distributed to the subscribers. The face value of the certificates is then drawn off in installments from the salaries and wages by the administrative office, and the sums raised are then paid into the State Bank or Savings Bank.
65. There are now about 5,000 Russians (including dependents) both military and civilian in Albania.⁷ The majority reside in Tirana. About 100 have been reported in Vlone. Some Russians have complained of their lot in comparing their present living conditions with that they experienced while serving in the West.
- [redacted] 25X1
[redacted] 25X1
- Comments: 25X1
1. The Albanian Government underwent a change in leadership in July 1954, but there is no overt indication that Enver Hoxha, now heading the Albanian Workers' (Communist) Party has assumed a passive role in his country's affairs.
 2. Lazar Isaja, one of the 16 delegates from the region of Vlone is a noted "stakhanovite" from the cement factory in Vlone.
 3. [redacted] the head of the Bektashi sect in Tirana is Ahmet Myrtar Dedij from Vlone and a fanatical Communist. 25X1
 4. [redacted] 25X1
 5. [redacted]
 6. [redacted] other airfields in Albania are kept in operating condition even though there are no aircraft stationed on the field. [redacted] the Soviets are planning to keep everything in readiness for any eventuality so that the Albanian bases can accommodate numerous planes from neighboring bases in the satellite countries. 25X1



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7. Five thousand Russians appears to be rather exaggerated. 
 estimated 2,000 Russians, including the technical and
military mission.

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